# GOVERNMENT OF INDIA
# COMMERCE AND INDUSTRY
# LOK SABHA

UNSTARRED QUESTION NO:2510
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REFORMS IN THE WTO REGIME
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**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a) whether India has sought any reforms in the WTO regime;

(b) if so, the details thereof indicating the precise objects sought to be achieved thereby;

(c) the moves made and the steps taken by the government to secure such reforms; and

(d) the details of trade preferences enjoyed by developing countries under the GATT agreement are being denied or diluted under the WTO regime?

## Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURALSOLI MARAN)

(a) to (b) India has been seeking reforms in the WTO regime by way of redressal ofthe existing asymmetries and inequities in several of the WTO Agreements, and the non-realization of expected benefits from Agreements such as textiles and agriculture by the developing countries in general and India in particular. India has also effectively articulated the manner in which the special and differential treatment provisions of the WTO Agreements have remained virtually inoperative and how, even in areas where developing countries acquire competitiveness, anti-dumping or anti-subsidies investigations are initiated in increasing numbers by the developed countries to deny them market access. India has also resolutely opposed moves to introduce linkages between labour and trade or any further widening of the environmental window under WTO agreements, as this may result in disguised protectionism affecting the market access of developing countries. The major objective to be achieved through these efforts is to bring the development dimension to the forefront, in order that the multilateral trading system subserves the stated objective of the WTO Agreements of `raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand , and expanding the production of trade in goods and services...`

(c ) India has been following a two - pronged strategy in this regard. On the one hand, a national consensus on various issues as were raised in the preparatory process of the Third WTO Ministerial Conference, has been evolved in consultations with the major stakeholders, including industry , national level political parties and trade unions, research institutions, trade experts and civil society. On the other hand diplomatic initiatives were taken to garner support from like -minded countries, such as the SAARC, the G-15 Group comprising of seventeen countries and the G-77 Group of developing countries.

(d) During the earlier rounds of GATT, till the Kennedy Round, the developing countries were not expected to take on many of the obligations which devolved on many of the developed countries. However, under the Uruguay Round which gave birth to the WTO, developing countries have taken on substantial obligations on trade in goods, services and Intellectual Property Rights. The Special and Differential treatment provisions other than the provisions providing for a longer transition period or higher de minimis in favour of developing countries, as contained in most of the WTO Agreements, are only in the nature of `best endeavour` provisions and have not been faithfully implemented as these `best endeavour` clauses cannot be enforced through the Dispute Settlement Mechanism of W.T.O.